

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**SB 2443 - HB 2632**

February 28, 2022

**SUMMARY OF BILL AS AMENDED (014422):** Authorizes the Tennessee Public Utility Commission (TPUC) to, upon petition, designate a provider or reseller of domestic public cellular radio telephone service as an eligible telecommunications carrier (ETC) pursuant to the federal universal service program for purposes of providing Lifeline service.

**FISCAL IMPACT OF BILL AS AMENDED:**

**NOT SIGNIFICANT**

Assumptions for the bill as amended:

- According to the Federal Communications Commission (FCC), “universal service” is the principle that all Americans should have access to communications services; it is also the name of a category of FCC programs and policies to implement this principle.
- One such program is Lifeline, which provides a discount on phone service for qualifying low-income consumers.
- Pursuant to 47 C.F.R. § 54.201:
  - Only eligible designated telecommunications carriers shall receive universal service support;
  - A state commission shall upon its own motion or upon request designate a common carrier as an ETC for a service area designated by the state commission; and
  - Certain designated ETCs must provide Lifeline Service directly to qualifying low-income consumers.
- Since state commissions are already authorized to designate non-Lifeline Broadband Providers as ETCs, the proposed legislation matches Tennessee law to FCC regulations; therefore, authorizing TPUC to designate a provider or reseller of domestic public cellular radio telephone service as an ETC for the purposes of providing Lifeline service will result in no significant impact to state government.

**IMPACT TO COMMERCE OF BILL AS AMENDED:**

**NOT SIGNIFICANT**

**SB 2443 - HB 2632**

Assumptions for the bill as amended:

- Since state commissions are already authorized to designate non-Lifeline Broadband Providers as ETCs, the proposed legislation matches Tennessee law to FCC regulations; therefore, authorizing TPUC to designate a provider or reseller of domestic public cellular radio telephone service as an ETC for the purposes of providing Lifeline service will result in no significant impact to business expenses.
- The proposed legislation is not expected to result in any significant impact to jobs in Tennessee.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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